MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2017/2018

BBL2014 – BUSINESS LAW

(All sections / Groups)

14th OCTOBER 2017
2.30 p.m. – 4.30 p.m.
(2 hours)

INSTRUCTIONS TO STUDENT:

1. This Question paper consists of **three (3)** printed pages including the cover page.
2. Answer **ALL FOUR (4)** questions.
3. Please write all your answers in the Answer Booklet.
4. You must support your answer with case law and statutory provisions, where necessary.

ANSWER ALL QUESTIONS

QUESTION 1

(a) Set out and explain **Section 11** of the **Contracts Act 1950**, supporting your answer with cases.

(10 marks)

(b) Wayne is 17 years old. He has the intelligence of a 6-year-old child. Alex persuades Wayne to enter into a contract for the purchase of an exercise machine. Wayne is not able to pay the full sum. Advise Wayne. Assume that Wayne is 19 years old. Would your advice be any different?

(15 marks)

(TOTAL: 25 Marks)

QUESTION 2

Explain the *doctrine of uberrimae fidei* in detail, with specific discussion on duty of disclosure. What are the consequences if the doctrine is breached? You must support your answer with cases, discussing the legal principles established in those cases,

(25 marks)

QUESTION 3

The doctrine of separate legal entity is a fundamental concept in company law. Explain this doctrine, supporting your answer with cases. Explain three circumstances in which this doctrine may not apply,

(25 marks)

Continued..

QUESTION 4

Discuss the following situations, with specific reference to the **Sale of Goods Act 1979**:

a. Steven bought a car from Ferguson Motors. Two months later the police stop Steven and informs him that the car was stolen from Luis, who is the lawful owner. Advise Steven.

b. Mary bought a coat from Jones Bros, the departmental store. Mary suffers eczema, a skin disease. The usage of the coat aggravated Mary's skin condition. Mary now wants to sue Jones Bros. Discuss.

c. Kim wants to carpet her house. Khloe, a carpet salesman, shows samples of carpet to Kim. Kim chooses Persian carpet in the shade of sky blue and instructs Khloe to carpet her house whilst she is in London. Upon return, Kim discovers her house has been carpeted with Persian carpet in the shade of ocean blue. Advise Kim.

d. Ali orders 48 bottles of honey to be packed in 4 boxes with 12 bottles in each box. Syed, the seller delivers 48 bottles of honey to Ali but backed in 8 boxes with 6 bottles in each box. Advise Ali.

e. Moondollars, a Malaysian company whose business is importing coffee, enters into a contract with Sawa Pvt Ltd, a Kenyan company to buy 100kgs of Kenyan coffee beans. It was clearly stipulated in the contract that the coffee must be delivered to Moondollar's headquarters within three days of the ship carrying the coffee arriving in Malaysia. The ship arrived in Malaysia on October 8th but Sawa delivered the coffee on October 16th. Advise Moondollars.

(5 marks each)

(Total:25 marks)

TOTAL: 100 Marks

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